



Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending March 31, 2018
[Based on Japanese GAAP]

August 8, 2017

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Submission of quarterly report: August 10, 2017

Dividend payment commencement: -

Preparation of explanatory materials for quarterly financial results: Yes

Holding of a briefing on quarterly financial results: None

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 31, 2018

(April 1, 2017 to June 30, 2017)

(1) Consolidated operating results

(% of change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net income attributable to shareholders of parent company	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First three months ended								
June 30, 2017	301,334	0.1	24,422	10.8	25,163	15.2	17,008	1.9
June 30, 2016	301,075	2.7	22,039	30.6	21,845	25.1	16,685	-25.0

(Note) Comprehensive income: First three months ended June 30, 2017: JPY 19,756 million (89.4%)
 First three months ended June 30, 2016: JPY 10,431 million (-56.3%)

	Net Income per Share	Diluted Net Income per Share
First three months ended	Yen	Yen
June 30, 2017	116.80	—
June 30, 2016	113.34	—

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2017	891,714	454,612	50.1	3,077.85
As of March 31, 2017	883,895	457,190	50.8	3,064.91

(Reference) Shareholders' equity: As of June 30, 2017: JPY 446,887 million
 As of March 31, 2017: JPY 448,901 million

Disclaimer: These financial statements have been prepared in accordance with generally accepted accounting principles in Japan.
 This English translation is prepared for the reader's convenience. When there are any discrepancies between the original Japanese version and English translation version, the original Japanese version always prevails.

2. Dividends

	Cash Dividends Per Share				
	1Q	2Q	3Q	Financial year end	Annual
Fiscal year ended (or ending)	Yen	Yen	Yen	Yen	Yen
March 31, 2017	—	45.00	—	65.00	110.00
March 31, 2018	—				
March 31, 2018 (Projected)		57.50	—	57.50	115.00

(Note) Amendment to projected dividends recently announced: No

* Breakdown of FYE March 2017 year-end dividend: Ordinary dividend JPY 45.00 and commemorative dividend JPY 20.00.

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2018

(April 1, 2017 to March 31, 2018)

(% of change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income attributable to shareholders of parent company		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
1st half	609,000	0.4	41,400	10.9	41,300	14.5	26,000	6.9	178.55
Full year	1,261,000	1.5	94,500	6.9	95,000	6.9	61,000	0.4	418.89

(Note) Amendment to forecasts of consolidated financial results recently announced: No

*Notes

(1) Changes in significant subsidiaries during the current fiscal year under review

(Changes in subsidiaries affecting the scope of consolidation): None

(2) Application of specific accounting treatments in the preparation of quarterly consolidated financial statements: Yes

(Note) For details, refer to page 9 of “2. Quarterly Consolidated Financial Statements (3) Notes Concerning Quarterly Financial Statements (Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial)”

(3) Changes in accounting policy, changes in accounting estimates, restatements

1. Changes in accounting policy due to revisions of accounting standards: None

2. Other changes in accounting policy: None

3. Changes in accounting estimates: None

4. Restatements: None

(4) Number of shares outstanding (common stock)

1. Number of shares outstanding at end of period (including treasury stock)	As of Jun. 30, 2017	152,683,400 shares	As of Mar. 31, 2017	152,683,400 shares
2. Number of treasury stock at end of period	As of Jun. 30, 2017	7,488,424 shares	As of Mar. 31, 2017	6,218,500 shares
3. Average number of shares during period	As of Jun. 30, 2017	145,621,459 shares	As of Jun. 30, 2016	147,220,506 shares

* The financial results report is not subject to audit.

* Forward-looking statements and other special notes

(Notice concerning forward-looking statements)

The forward-looking statements described in this document, such as business forecasts, are based on information available at the time of the release of these materials and reasonable assumptions made by the Company, and do not represent a commitment from the Company that they will be achieved. For earnings forecasts assumptions and other related items, refer to page 4 of “1. Qualitative Information, (3) Explanation Concerning Forecasts for Consolidated Earnings

(Explanatory material for financial results)

Explanatory materials for financial results are disclosed through TDnet together with these financial statements. This information also is posted on our website on the same day.

1. Qualitative Information

(1) Explanation Concerning Operating Results

(Millions of yen)

First Three Months ended	Net Sales	Operating Income	Ordinary Income	Net income attributable to shareholders of parent company	Net Income per Share (Yen)
June 30, 2017	301,334	24,422	25,163	17,008	116.80
June 30, 2016	301,075	22,039	21,845	16,685	113.34
% of YoY Change	0.1	10.8	15.2	1.9	—

The Japanese economy during the first three months of FYE March 2018 transitioned on a mild recovery trend. We saw continued improvement in the hiring environment as well as improved consumer spending and capital expenditures. Although economic growth is expected to continue, it remains necessary to pay attention to overseas economic trends and their impact on the Japanese economy.

Amid such conditions, the Meiji Group entered the final year of STEP UP 17, the Group's Medium-Term Business Plan. Based on our core policy of *Accelerating growth and achieving further improvement in profitability*, we promote our growth strategy aimed at increasing corporate value. These initiatives include *Strengthening priority businesses and taking on the challenge of future growth*, *Improving profitability to withstand harsh economic environments*, *Pursuing global expansion*, and *Evolving our management system*.

In the food segment, we are working towards steady growth amid expectations that we will see increases in raw material procurement costs due to fluctuations in currency markets and raw material markets. We will continue to grow our core products while working to optimize production, distribution, and sales as well as cost reductions.

In the pharmaceutical business, despite ongoing discussion regarding fundamental reforms to the NHI pricing system creating an environment in which predicting business has become more difficult, we are concentrating management resources on the core domains of anti-infective drugs and CNS agents as we work to maximize sales and profits. Also, Me Pharma Co., Ltd, which we established in December 2016, will create a new business model to expand the generic pharmaceutical business.

These factors resulted in net sales of JPY 301,334 million (up 0.1%, year on year), operating income of JPY 24,422 million (up 10.8%, year on year), ordinary income of JPY 25,163 million (up 15.2%, year on year) during the first three month of FYE March 2018. Net income attributable to shareholders of parent company was JPY 17,008 million (up 1.9%, year on year).

Below is an overview by segment.

(Millions of yen)

	Reporting Segments			Adjustments	Amount Presented in Consolidated Statements of Income
	Food	Pharmaceuticals	Total		
Net Sales	265,617	35,904	301,521	-186	301,334
Operating Income	22,469	1,947	24,416	5	24,422

(i) Food segment

(Millions of yen)

	First three months of FYE March 2017 (from Apr. 1, 2016 to Jun. 30, 2016)	First three months of FYE March 2018 (from Apr. 1, 2017 to Jun. 30, 2017)	% of YoY Change
Net Sales	267,676	265,617	-0.8
Operating Income	22,011	22,469	2.1

Overall net sales were largely unchanged year on year as performance within each business was largely unchanged from the previous year.

Operating income increased year on year. Operating income of fresh and fermented dairy business decreased year on year due to decrease in sales of yogurt. Operating income of confectionery business increased year on year thanks to the favorable growth of chocolate. Operating income of international business increased significantly year on year. Operating income of processed food business and nutrition business increased year on year.

Below is an overview of each of this segment's main businesses.

■ Fresh and Fermented Dairy business (Yogurt, drinking milk, beverages, etc.)

- Net sales of functional yogurt were largely unchanged from the previous year. Net sales of *Meiji Probio Yogurt R-1* increased significantly thanks to aggressive advertising campaigns and efforts to create more appealing storefront displays.
- Net sales of *Meiji Bulgaria Yogurt* declined year on year due to a market correction following major market expansion during the previous fiscal year.
- Net sales of drinking milk increased year on year. Our mainstay product *Meiji Oishii Gyunyu* grew thanks to expanded demand for small-volume package sizes. Sales of *Meiji Oishii Gyunyu* (900ml), for which we launched sales in the Kyushu region in September 2016 and have gradually expanded sales area, were firm.

■ Processed Food business (Cheese, butter and margarine, cream, ice cream, frozen food, etc.)

- Net sales of cheese for the consumer market increased year on year due to the favorable sales of *Meiji Hokkaido Tokachi Camembert Cheese* and *Meiji Hokkaido Tokachi Smart Cheese*.
- Net sales of margarine increased year on year thanks to the favorable growth of *Meiji Cornsoft*.
- Net sales of ice cream declined significantly year on year due to the impact of change in our transaction system implemented from April 2017 but sales volume of our mainstay product *Meiji Essel Super Cup* increased year on year.

■ Confectionery business (Chocolate, gummy, chewing gum, etc.)

- Net sales of chocolate increased year on year. Net sales of the *Chocolate Kouka* series and other health-conscious chocolates significantly increased year on year. This was the result of increased interest in the health benefits of cacao beans. Net sales of premium chocolate *meiji THE Chocolate*, for which we conducted a major revamping in September 2016, increased significantly year on year thanks to growth of existing products and contributions from new flavors.
- Net sales of gummy products increased year on year. Our mainstay brand *Kaju Gummy* and *Poifull* increased year on year.
- Net sales of chewing gum decreased year on year due to the market decline.

■ Nutrition business (Sports nutrition, infant formula, enteral formula, beauty supplement, OTC drugs, etc.)

- Net sales of sports nutrition increased significantly year on year. Net sales of *SAVAS* increased significantly year on year thanks to increased consumption among competitive athletes and a new consumer layer focused on improving personal fitness. *VAAM* also increased year on year thanks to contributions from new products.
- Net sales of infant formula decreased year on year due to market contraction as a result of declining birth rates as well as the impact of reduced inbound demand.
- Net sales of enteral formula increased year on year. In particular, net sales of *Meiji Mei Balance Mini-cup* for the consumer market increased thanks to efforts to create more appealing storefront displays and enhanced promotional activities.
- In the beauty supplement, net sales of *Amino Collagen* decreased significantly year on year.

■ Other business (International, food stuffs, livestock products, sugar and corn sweeteners, transportation, etc.)

International

- Among exports, net sales of infant formula to Taiwan grew. Net sales of Amino Collagen to Taiwan and Thailand increased significantly year on year.
- In China, net sales of the confectionery business increased year on year thanks to growth among mainstay chocolate products. Net sales of the drinking milk and yogurt businesses increased year on year thanks to growth in both consumer and commercial sales. Net sales of ice cream increased significantly year on year thanks to improvement in retail space development.
- Net sales in the U.S.A. increased year on year thanks to the favorable growth of *Stauffer* products and *Meiji* brand *Hello Panda*.

Others

- In Japan, one subsidiary experienced a significant decline in revenues due to the impact of the August 2016 typhoon in Hokkaido but overall net sales were largely unchanged year on year thanks to business growth by our distribution subsidiary.

(ii) Pharmaceutical segment

(Millions of yen)

	First three months of FYE March 2017 (from Apr. 1, 2016 to Jun. 30, 2016)	For the Fiscal year ended March 31, 2018 (from Apr. 1, 2017 to Jun. 30, 2017)	% of YoY Change
Net Sales	33,716	35,904	6.5
Operating Income	16	1,947	11,900.3

Net sales increased year on year. The domestic ethical pharmaceuticals business saw sales for both brand name drugs and generics increase year on year. Net sales in the agricultural chemicals and veterinary drugs business decreased year on year.

Operating income increased significantly year on year thanks to cost control initiatives implemented by each business division as well as the impact of brand name drug marketing costs incurred during the same period of the previous year.

Below is an overview of each of this segment's main businesses.

■ Ethical Pharmaceuticals

Japan

- Net sales of the antibacterial drug *MEIACT* decline significantly year on year due to the replacement by the generic Cefditoren Pivoxil.
- Net sales of the antidepressant drug *REFLEX* decreased year on year. Net sales of the schizophrenia drug *SYCREST* launched in May 2016 increased significantly year on year.
- Net sales of generic drugs increased significantly year on year. Our mainstay calcium channel blocker, *AMLODIPINE Tablets Meiji* decreased year on year. The antibacterial drug *TAZOPIPE Combination for I.V. Infusion Meiji* increased significantly year on year.
- We recorded milestone revenue as a result of a licensing agreement with Eisai Co., Ltd. concluded in March 2017 in relation to the anti-Parkinson's drug *Safinamide*.

International

- Net sales of *MEIACT*, our mainstay product in the export business, decreased significantly year on year.
- Net sales by India's MEDREICH and China's Meiji Pharma (Shandong) Co., Ltd. increased significantly year on year

■ Agricultural chemicals and veterinary drugs

- Net sales of agricultural chemicals business decreased year on year. Net sales of herbicide *ZAXA* increased significantly year on year. Net sales of rice blast preventative *ORYZEMATE* decreased significantly year on year.
- Net sales of veterinary drugs business decreased year on year. Net sales of companion animal drugs and marine chemicals decreased significantly year on year, and net sales of livestock drugs decreased year on year.

(2) Explanation Concerning Financial Status

[Assets]

For the three months of FYE March 2018, total assets increased year by year by JPY 7,818 million to JPY 891,714 million. Although notes and accounts receivable, machinery and equipment (net), and cash and deposits decreased by JPY 9,151 million, JPY 2,771 million, and JPY 2,548 million, respectively, construction in progress, investment securities, goods and products, and raw materials and supplies increased by JPY 9,237 million, JPY 6,338 million, JPY 3,315 million, and JPY 3,266 million, respectively.

[Liabilities]

For the three months of FYE March 2018, total liabilities increased year by year by JPY 10,396 million to JPY 437,101 million. Although income taxes payable and accrued bonuses for employees decreased by JPY 9,382 million and JPY 5,162 million, respectively, commercial paper increased by JPY 25,000 million.

[Net Assets]

For the three months of FYE March 2018, total net assets decreased year by year by JPY 2,578 million to JPY 454,612 million. Although retained earnings and net unrealized holding gain or losses on securities increased by JPY 7,488 million and JPY 3,525 million, respectively, treasury stock (at cost) and foreign currency translation adjustment decreased by JPY 12,006 million and JPY 1,532 million, respectively.

Our equity ratio decreased from 50.8% as of the previous consolidated accounting period to 50.1%.

(3) Explanation Concerning Forecasts for Consolidated Earnings

There are no changes to the consolidated earnings forecast in the “Consolidate Financial Results for the Fiscal Year Ended March 31, 2018” released on May 12, 2017.

2. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
ASSETS		
Current assets		
Cash and deposits	24,761	22,213
Notes and accounts receivable	183,807	174,655
Goods and products	88,524	91,839
Work in process	4,114	4,411
Raw materials and supplies	41,596	44,862
Others	35,274	35,445
Allowance for doubtful accounts	-370	-236
Total current assets	377,707	373,192
Fixed assets		
Property, plants and equipment		
Buildings and structures	301,158	302,095
Less accumulated depreciation	-172,253	-172,910
Buildings and structures (net)	128,904	129,185
Machinery and equipment	501,254	499,459
Less accumulated depreciation	-372,520	-373,496
Machinery and equipment (net)	128,734	125,963
Tools and furniture	52,383	52,628
Less accumulated depreciation	-42,204	-42,387
Tools and furniture (net)	10,178	10,241
Land	72,603	72,584
Lease assets	3,972	3,160
Less accumulated depreciation	-3,140	-2,401
Lease assets (net)	832	759
Construction in progress	24,733	33,970
Total property, plants and equipment	365,986	372,704
Intangible assets		
Goodwill	12,840	12,405
Other	13,096	12,630
Total intangible assets	25,936	25,035
Investments and other fixed assets		
Investment securities	77,862	84,200
Net defined benefit asset	20,418	20,841
Other	16,092	15,847
Allowance for doubtful accounts	-107	-107
Total investments and other fixed assets	114,264	120,781
Total fixed assets	506,187	518,521
Total assets	883,895	891,714

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
LIABILITIES		
Current liabilities		
Notes and accounts payable	110,730	109,393
Short-term bank loans	50,574	50,397
Current portion of bonds	30,000	30,000
Commercial paper	-	25,000
Income taxes payable	17,457	8,074
Accrued bonuses for employees	10,512	5,350
Allowance for sales returns	132	130
Allowance for sales rebates	2,061	1,765
Other current liabilities	92,722	91,876
Total current liabilities	314,191	321,988
Long-term liabilities		
Long-term debt	48,923	50,105
Retirement benefit liabilities	48,371	48,532
Reserve for directors' retirement benefits	150	137
Other long-term liabilities	15,067	16,338
Total long-term liabilities	112,513	115,113
Total liabilities	426,704	437,101
NET ASSETS		
Shareholders' equity		
Common stock	30,000	30,000
Capital surplus	99,762	99,622
Retained earnings	322,856	330,344
Treasury stock, at cost	-16,607	-28,614
Total shareholders' equity	436,011	431,352
Accumulated other comprehensive income		
Net unrealized holding gains or losses on securities	25,120	28,646
Deferred gains or losses on hedges	-5	25
Foreign currency translation adjustments	1,181	-351
Adjusted cumulative of retirement benefits	-13,406	-12,785
Total accumulated other comprehensive income	12,890	15,535
Minority interests	8,289	7,724
Total net assets	457,190	454,612
Total liabilities and net assets	883,895	891,714

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(For the First Three Months Ended June 30, 2017)

(Millions of yen)

	First three months of FYE March 2017 (from Apr. 1, 2016 to Jun. 30, 2016)	First three months of FYE March 2018 (from Apr. 1, 2017 to Jun. 30, 2017)
Net sales	301,075	301,334
Cost of sales	191,278	191,678
Gross profit	109,796	109,656
Selling, general and administrative expenses	87,756	85,234
Operating income	22,039	24,422
Non-operating income		
Interest income	28	32
Dividend income	578	584
Equity in income of affiliates	28	119
Foreign exchange gains	-	107
Other	270	325
Total non-operating income	906	1,170
Non-operating expenses		
Interest expenses	211	193
Foreign exchange losses	664	-
Other	225	235
Total non-operating expenses	1,100	429
Ordinary income	21,845	25,163
Extraordinary income		
Gain on sale of property, plants and equipment	5,062	643
Gain on liquidation of subsidiaries	-	464
Other	227	34
Total extraordinary income	5,289	1,143
Extraordinary losses		
Loss on disposal of property, plants and equipment	364	1,017
Impairment loss	-	114
Other	44	11
Total extraordinary losses	408	1,142
Income before income taxes	26,726	25,163
Income taxes	9,772	7,991
Net income	16,953	17,171
Net income or net losses attributable to non-controlling shareholders	267	163
Net income attributable to shareholders of parent company	16,685	17,008

(Quarterly Consolidated Statements of Comprehensive Income)
(For the First Three Months Ended June 30, 2017)

(Millions of yen)

	First three months of FYE March 2017 (from Apr. 1, 2016 to Jun. 30, 2016)	First three months of FYE March 2018 (from Apr. 1, 2017 to Jun. 30, 2017)
Net income	16,953	17,171
Other comprehensive income		
Net unrealized holding gains or losses on securities	-2,213	3,522
Deferred gains or losses on hedges	-215	31
Foreign currency translation adjustments	-4,520	-1,845
Adjustments related to retirement benefits	707	621
Equity in affiliates accounted for by equity method	-280	255
Total other comprehensive income	-6,521	2,585
Comprehensive income	10,431	19,756
(Breakdown)		
Comprehensive income attributable to shareholders of parent company	10,259	19,653
Comprehensive income attributable to minority shareholders	172	103

(3) Notes Concerning Quarterly Financial Statements

(Notes Concerning the Premise of a Going Concern)

Not applicable.

(Notes Concerning Significant Changes in Shareholders' Equity (if any))

Not applicable.

(Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements)

Tax expenses are calculated by rationally estimating the effective tax rate after application of tax effect accounting to income before income taxes for the consolidated fiscal year, which includes the current quarter under review, then multiplying income before income taxes by the estimated effective tax rate.

Income taxes-deferred are shown included in income taxes.

I. The First Three Months of the Previous Consolidated Fiscal Year (April 1, 2016 to June 30, 2016)

1. Information on amounts of sales and income/losses for each reporting segment

(Millions of yen)

	Reporting Segments		Total	Adjustments (Note 1)	Amount Presented in Statements of Income (Note 2)
	Food	Pharmaceuticals			
Net Sales					
(1) Sales to Outside Customers	267,596	33,478	301,075	–	301,075
(2) Inter-segment Sales and Transfers	79	237	317	-317	–
Total	267,676	33,716	301,392	-317	301,075
Income by Segment	22,011	16	22,027	12	22,039

(Notes)

1. Details of Adjustments are as follows:

The segment income adjustment of JPY 12 million includes inter-segment eliminations of JPY 53 million and a negative JPY 41 million in corporate expenses that are not allocated to individual reporting segments. Corporate expenses mainly consist of administrative expenses for the Company (the holding company).

2. Segment income is adjusted to the operating income recorded in the quarterly consolidated statements of income.

2. Information on impairment loss on fixed assets or good will, etc., for each reporting segment

(Significant impairment loss on fixed assets)

There was no significant impairment loss on fixed assets.

(Significant changes in the amount of goodwill)

There were no significant changes in the amount of goodwill.

(Significant gain on negative goodwill)

No significant negative goodwill was generated.

II The First Three Months of the Consolidated Fiscal Year under Review (April 1, 2017 to June 30, 2017)

1. Information on amounts of sales and income/losses for each reporting segment

(Millions of yen)

	Reporting Segments		Total	Adjustments (Note 1)	Amount Presented in Statements of Income (Note 2)
	Food	Pharmaceuticals			
Net Sales					
(1) Sales to Outside Customers	265,522	35,812	301,334	–	301,334
(2) Inter-segment Sales and Transfers	94	92	186	-186	–
Total	265,617	35,904	301,521	-186	301,334
Income by Segment	22,469	1,947	24,416	5	24,422

(Notes)

1. Details of Adjustments are as follows:

The segment income adjustment of JPY 5 million includes inter-segment eliminations of JPY 4 million and JPY 1 million in corporate expenses that are not allocated to individual reporting segments. Corporate expenses mainly consist of administrative expenses for the Company (the holding company).

2. Segment income is adjusted to the operating income recorded in the quarterly consolidated statements of income.

2. Information on impairment loss on fixed assets or good will, etc., for each reporting segment

(Significant impairment loss on fixed assets)

There was no significant impairment loss on fixed assets.

(Significant changes in the amount of goodwill)

There were no significant changes in the amount of goodwill.

(Significant gain on negative goodwill)

No significant negative goodwill was generated.

Consolidated Financial Results for the First Quarter Fiscal Year Ending March 31, 2018 - Supplementary Explanatory Data -

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Meiji Holdings Co., Ltd.

*This document has been translated from the original Japanese as a guide for non-Japanese investors.

*Unaudited figures are included in these materials for reference.

*The forward-looking statements described in this document, such as business forecasts, are based on information available at the time of the release of this presentation and reasonable assumptions made by the Company, and do not represent a commitment from the Company that they will be achieved.

(Amounts appearing in the tables below have been rounded down to nearest 100 million yen)

1. Consolidated Financial Results

1. Consolidated Operating Results

(Billions of yen)

FYE March 2018	Q1		Q1-Q2		Q1-Q3		Full-year	
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan
Net sales	301.3	% +0.1	% 49.5	%	%	%	%	%
Cost of sales	191.6	+0.2	—					
Gross profit	109.6	-0.1	—					
Selling, general and administrative expenses	85.2	-2.9	—					
Carriage and storage charges	12.4	+4.0	—					
Sales promotion expenses	30.2	-6.6	—					
Labor cost	19.6	+0.4	—					
Operating income	24.4	+10.8	59.0					
Ordinary income	25.1	+15.2	60.9					
Net income attributable to owners of parent	17.0	+1.9	65.4					

Plan -- FYE March 2018					
H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
609.0	% +0.4	652.0	% +2.6	1,261.0	% +1.5
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
41.4	+10.9	53.1	+4.0	94.5	+6.9
41.3	+14.5	53.7	+1.8	95.0	+6.9
26.0	+6.9	35.0	-4.0	61.0	+0.4

FYE March 2017	Q1		Q1-Q2		Q1-Q3		Full-year	
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan
Net sales	301.0	% +2.7	% 49.7	% +2.4	% +0.1	% 74.7	% +1.5	% -0.7
Cost of sales	191.2	+1.5	—	+1.5	—	—	+0.4	—
Gross profit	109.7	+4.9	—	+4.1	—	—	+3.5	—
Selling, general and administrative expenses	87.7	-0.0	—	+2.6	—	—	+1.4	—
Carriage and storage charges	11.9	+0.6	—	+0.9	—	—	+4.0	—
Sales promotion expenses	32.3	-2.6	—	-0.5	—	—	-0.4	—
Labor cost	19.5	-0.3	—	-0.3	—	—	-0.6	—
Operating income	22.0	+30.6	67.8	+11.7	+14.8	80.4	+13.6	+4.6
Ordinary income	21.8	+25.1	67.2	+1.4	+11.0	79.8	+8.6	+5.4
Net income attributable to owners of parent	16.6	-25.0	71.0	-26.6	+3.5	81.9	-2.9	+7.6

Results -- FYE March 2017					
H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
606.7	+2.4	635.6	+0.7	1,242.4	+1.5
386.7	+1.5	394.3	-0.7	781.1	+0.4
219.9	+4.1	241.3	+3.1	461.3	+3.5
182.6	+2.6	190.2	+0.2	372.9	+1.4
24.3	+0.9	24.5	+7.2	48.8	+4.0
67.2	-0.5	74.5	-0.3	141.8	-0.4
38.9	-0.3	39.0	-0.8	77.9	-0.6
37.3	+11.7	51.0	+15.1	88.3	+13.6
36.0	+1.4	52.7	+14.1	88.8	+8.6
24.3	-26.6	36.4	+23.8	60.7	-2.9

2. Operating Results of Food Segment

(Billions of yen)

FYE March 2018	Q1		Q1-Q2			Q1-Q3			Full-year		
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	YoY change	vs. Full-year plan	
Net sales	265.6	-0.8	50.0								
Cost of sales	174.1	-0.5	—								
Gross profit	91.5	-1.3	—								
Selling, general and administrative expenses	69.0	-2.3	—								
Carriage and storage charges	11.9	+3.4	—								
Sales promotion expenses	27.1	-5.5	—								
Labor cost	13.9	+0.6	—								
Operating income	22.4	+2.1	57.9								
Ordinary income	22.8	+4.8	58.3								
Net income attributable to owners of parent	15.6	-6.4	61.1								

Plan -- FYE March 2018					
H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
531.0	-0.8	556.0	+1.7	1,087.0	+0.5
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
38.8	-0.1	45.2	+2.4	84.0	+1.3
39.2	+2.4	45.8	+1.3	85.0	+1.8
25.6	-4.8	30.9	+4.2	56.5	-0.1

FYE March 2017	Q1		Q1-Q2			Q1-Q3			Full-year			
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	YoY change	vs. Full-year plan		
Net sales	267.6	+4.7	50.6	535.2	+3.5	+1.1	819.4	+3.0	75.3	1,082.1	+2.0	-0.5
Cost of sales	174.9	+2.3	—	351.6	+1.8	—	532.8	+0.8	—	701.4	+0.1	—
Gross profit	92.6	+9.3	—	183.6	+7.1	—	286.5	+7.1	—	380.7	+5.5	—
Selling, general and administrative expenses	70.6	+0.3	—	144.7	+1.4	—	220.3	+1.7	—	297.7	+1.8	—
Carriage and storage charges	11.5	+0.9	—	23.4	+0.9	—	35.3	+3.0	—	46.9	+4.0	—
Sales promotion expenses	28.6	-2.4	—	59.3	-0.4	—	92.2	+0.6	—	124.6	-0.1	—
Labor cost	13.8	-0.6	—	27.6	-0.2	—	41.4	-0.9	—	55.5	-0.5	—
Operating income	22.0	+53.4	71.0	38.8	+35.1	+25.2	66.2	+30.0	82.8	82.9	+21.5	+3.7
Ordinary income	21.7	+49.6	69.6	38.2	+25.0	+22.3	66.2	+24.9	82.6	83.4	+17.2	+4.1
Net income attributable to owners of parent	16.7	+83.7	72.7	26.8	+41.0	+16.9	44.9	+31.5	84.0	56.5	+21.7	+5.7

Results -- FYE March 2017					
H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
535.2	+3.5	546.8	+0.5	1,082.1	+2.0
351.6	+1.8	349.7	-1.5	701.4	+0.1
183.6	+7.1	197.0	+4.1	380.7	+5.5
144.7	+1.4	152.9	+2.2	297.7	+1.8
23.4	+0.9	23.5	+7.3	46.9	+4.0
59.3	-0.4	65.3	+0.2	124.6	-0.1
27.6	-0.2	27.8	-0.7	55.5	-0.5
38.8	+35.1	44.1	+11.6	82.9	+21.5
38.2	+25.0	45.1	+11.4	83.4	+17.2
26.8	+41.0	29.6	+8.3	56.5	+21.7

3. Operating Results of Pharmaceuticals Segment

(Billions of yen)

FYE March 2018	Q1		Q1-Q2		Q1-Q3		Full-year	
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan
	%	%	%	%	%	%	%	%
Net sales	35.9	+6.5	45.4					
Cost of sales	17.7	+6.8	—					
Gross profit	18.1	+6.2	—					
Selling, general and administrative expenses	16.2	-5.1	—					
Operating income	1.9	+11,900.3	72.1					
Ordinary income	1.9	—	88.5					
Net income attributable to owners of parent	1.1	—	275.4					

Plan -- FYE March 2018					
H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
	%		%		%
79.0	+9.5	96.6	+7.9	175.6	+8.6
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
2.7	—	8.3	+17.0	11.0	+90.3
2.2	—	7.8	+8.6	10.0	+108.6
0.4	—	4.1	-37.1	4.5	+15.5

FYE March 2017	Q1		Q1-Q2		Q1-Q3		Full-year					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan				
	%	%	%	%	%	%	%	%				
Net sales	33.7	-10.5	43.6	72.1	-5.3	-6.7	115.6	-3.7	70.1	161.6	-1.8	-2.0
Cost of sales	16.5	-6.5	—	35.6	-1.2	—	57.2	-0.4	—	80.6	+1.7	—
Gross profit	17.1	-14.1	—	36.4	-9.0	—	58.4	-6.8	—	80.9	-5.0	—
Selling, general and administrative expenses	17.1	-1.4	—	37.7	+7.6	—	56.3	+4.7	—	75.1	+0.1	—
Operating income	0.0	-99.4	0.9	-1.3	—	—	2.1	-76.3	42.0	5.7	-42.9	+15.6
Ordinary income	-0.3	—	—	-2.3	—	—	0.8	-91.5	21.9	4.7	-55.3	+29.6
Net income attributable to owners of parent	-0.3	—	—	-2.6	—	—	1.2	-78.7	42.3	3.8	-24.4	+34.4

Results -- FYE March 2017					
H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
	%		%		%
72.1	-5.3	89.4	+1.2	161.6	-1.8
35.6	-1.2	45.0	+4.2	80.6	+1.7
36.4	-9.0	44.4	-1.6	80.9	-5.0
37.7	+7.6	37.3	-6.6	75.1	+0.1
-1.3	—	7.0	+37.3	5.7	-42.9
-2.3	—	7.1	+20.2	4.7	-55.3
-2.6	—	6.5	+145.9	3.8	-24.4

2. Segment Information

1. Food Segment

A. Net Sales

(Billions of yen)

FYE March 2018	Q1		Q1-Q2		Q1-Q3		Full-year	
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan
Fresh and Fermented Dairy	136.0	-0.6	50.0					
Processed Food	44.7	-0.8	50.2					
Confectionery	36.2	+0.5	52.0					
Nutritionals	24.0	+1.0	49.4					
Other	87.8	-0.4	49.1					
Elimination	-63.3	—	—					

Plan -- FYE March 2018					
H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
272.3	+0.9	278.4	+1.3	550.7	+1.1
89.2	-5.6	87.2	-2.6	176.4	-4.1
69.6	-0.3	92.6	+2.5	162.3	+1.3
48.7	+0.5	45.8	+5.9	94.5	+3.0
178.9	+0.3	178.9	-0.9	357.8	-0.3
-127.8	—	-127.1	—	-254.9	—

FYE March 2017	Q1		Q1-Q2		Q1-Q3		Full-year					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan				
Fresh and Fermented Dairy	136.7	+9.4	53.7	269.7	+8.5	+6.0	408.2	+8.7	74.8	544.7	+6.4	-0.1
Processed Food	45.0	-6.4	48.8	94.5	-4.0	+2.3	142.3	-4.4	77.8	184.0	-4.0	+0.6
Confectionery	36.0	+3.0	51.2	69.8	-0.4	-0.7	116.8	+0.3	73.4	160.2	-0.1	+0.7
Nutritionals	23.8	+0.0	47.7	48.4	-1.6	-3.0	72.6	-3.3	78.1	91.7	-4.1	-1.4
Other	88.2	+5.7	49.0	178.4	+4.2	-0.9	271.3	+2.8	76.5	359.0	+2.8	+1.2
Elimination	-62.3	—	—	-125.8	—	—	-192.0	—	—	-257.7	—	—

Results -- FYE March 2017					
H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
269.7	+8.5	274.9	+4.5	544.7	+6.4
94.5	-4.0	89.5	-3.9	184.0	-4.0
69.8	-0.4	90.3	+0.0	160.2	-0.1
48.4	-1.6	43.2	-6.8	91.7	-4.1
178.4	+4.2	180.6	+1.4	359.0	+2.8
-125.8	—	-131.9	—	-257.7	—

B. Operating Income

(Billions of yen)

FYE March 2018	Q1		Q1-Q2		Q1-Q3		Full-year	
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan
Fresh and Fermented Dairy	13.2	-4.7	55.4					
Processed Food	1.8	+5.4	42.0					
Confectionery	4.5	+14.7	71.3					
Nutritionals	3.8	+6.7	55.9					
Other	1.2	+22.7	49.9					
Elimination and Corporate expenses	-2.2	—	—					

Plan -- FYE March 2018					
H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
23.9	-0.5	28.2	+1.6	52.1	+0.6
4.3	-3.6	3.0	+5.9	7.4	+0.1
6.3	+1.4	12.0	-0.7	18.4	+0.0
6.8	-2.8	5.5	+21.0	12.3	+6.5
2.5	-3.1	2.7	-8.9	5.2	-6.2
-5.1	—	-6.3	—	-11.5	—

FYE March 2017	Q1		Q1-Q2		Q1-Q3		Full-year					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan				
Fresh and Fermented Dairy	13.8	+50.5	71.8	24.0	+35.7	+24.3	38.0	+39.1	74.6	51.7	+23.6	+1.7
Processed Food	1.7	+24.5	46.3	4.5	+29.4	+20.4	6.6	+17.4	95.0	7.4	+23.0	+5.4
Confectionery	3.9	+124.6	126.3	6.2	+136.0	+100.1	14.3	+51.9	87.3	18.4	+44.4	+12.2
Nutritionals	3.5	+44.2	55.6	7.0	+26.9	+9.1	10.6	+16.5	90.8	11.5	+19.0	-2.0
Other	1.0	+104.5	103.0	2.5	+117.1	+161.3	4.7	+73.7	93.0	5.5	+72.8	+9.1
Elimination and Corporate expenses	-2.1	—	—	-5.6	—	—	-8.2	—	—	-11.8	—	—

Results -- FYE March 2017					
H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
24.0	+35.7	27.7	+14.7	51.7	+23.6
4.5	+29.4	2.8	+14.0	7.4	+23.0
6.2	+136.0	12.1	+20.2	18.4	+44.4
7.0	+26.9	4.5	+8.6	11.5	+19.0
2.5	+117.1	3.0	+47.0	5.5	+72.8
-5.6	—	-6.1	—	-11.8	—

Note: Eliminations within the Food segment include eliminations within each business category and between business categories. Also, general corporate expenses refer to expenses not allocated to any specific business.

2. Pharmaceuticals Segment

(Billions of yen)

FYE March 2018	Q1		Q1-Q2		Q1-Q3		Full-year		
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan	
Ethical Pharmaceuticals	33.2	+8.8	45.6	%	%	%	%	%	%
Agricultural Chemicals and Veterinary Drugs	2.6	-15.7	43.4						

Plan -- FYE March 2018					
H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
	%	%	%	%	%
72.8	+10.7	82.6	+8.3	155.4	+9.4
6.2	-2.3	13.9	+6.2	20.1	+3.5

FYE March 2017	Q1		Q1-Q2		Q1-Q3		Full-year					
	YoY change	H1 plan achievement rate	YoY change	vs. H1 plan	YoY change	Full-year plan achievement rate	YoY change	vs. Full-year plan				
Ethical Pharmaceuticals	30.5	-10.4	43.6	65.7	-5.0	-6.1	106.0	-3.1	72.9	142.1	-1.1	-2.2
Agricultural Chemicals and Veterinary Drugs	3.1	-11.6	43.7	6.3	-8.0	-13.1	9.6	-9.7	49.3	19.4	-6.2	-0.6

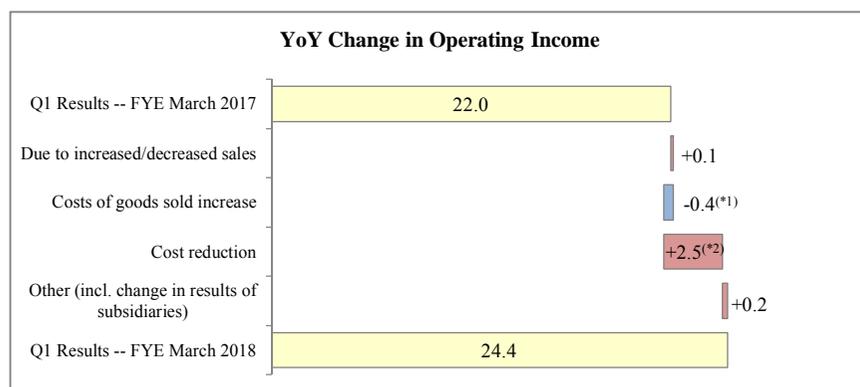
Results -- FYE March 2017					
H1 (Q1-Q2)	YoY change	H2 (Q3-Q4)	YoY change	Full-year	YoY change
	%	%	%	%	%
65.7	-5.0	76.3	+2.5	142.1	-1.1
6.3	-8.0	13.1	-5.3	19.4	-6.2

3. Analysis of Operating Income

1. Results

(Billions of yen)

	Q1				Q1-Q2				Q1-Q3				Full-year			
	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other
Results -- FYE March 2017	22.0	22.0	0.0	0.0												
Due to increased/decreased sales	+0.1	-0.4	+0.5	—												
Costs of goods sold increase	-0.4	-0.4	0.0	—												
Cost reduction	+2.5	+1.2	+1.3	—												
Other (incl. change in results of subsidiaries)	+0.2	+0.0	+0.1	-0.0												
Total change	+2.4	+0.4	+1.9	-0.0												
Results -- FYE March 2018	24.4	22.4	1.9	0.0												



(Breakdown)

*1: [Food] Increase in domestic raw milk prices: -0.2, Imported dairy ingredients: -0.2

*2: [Food] Decrease in promotion expenses: +1.0, Distribution optimization: +0.2

[Pharma] Decrease in promotion expenses and other cost reduction: +0.4, Decrease in R&D expenses: +0.2
Cost reduction: +0.7

2. Plan -- FYE March 2018

(Billions of yen)

	H1 (Q1-Q2)				H2 (Q3-Q4)				Full-year			
	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other	Consolidated Total	Food	Pharma	Other
Results -- FYE March 2017	37.3	38.8	-1.3	-0.2	51.0	44.1	7.0	-0.1	88.3	82.9	5.7	-0.3
Due to increased/decreased sales	+3.5	+0.9	+2.6	—	+2.5	+1.5	+1.0	—	+6.0	+2.4	+3.6	—
Changes in costs of goods sold	-1.4	-1.4	0.0	—	-2.0	-2.0	0.0	—	-3.4	-3.4	0.0	—
Changes in other SG&A expenses	+3.0	+0.9	+2.1	—	+1.3	+1.4	-0.1	—	+4.3	+2.3	+2.0	—
Other (incl. change in results of subsidiaries)	-1.0	-0.4	-0.7	+0.1	+0.3	+0.2	+0.4	-0.3	-0.7	-0.2	-0.3	-0.2
Total change	+4.1	-0.0	+4.0	+0.1	+2.1	+1.1	+1.3	-0.3	+6.2	+1.1	+5.3	-0.2
Plan -- FYE March 2018	41.4	38.8	2.7	-0.1	53.1	45.2	8.3	-0.4	94.5	84.0	11.0	-0.5

4. Consolidated Financial Positions

(Billions of yen)

FYE March 2018	As of Jun. 30		As of Sep. 30		As of Dec. 31		As of Mar. 31	
		Change from the previous fiscal year end		Change from the previous fiscal year end		Change from the previous fiscal year end		Change from the previous fiscal year end
Total assets	891.7	+0.9						
Current assets	373.1	-1.2						
Fixed assets	518.5	+2.4						
Total liabilities	437.1	+2.4						
Current liabilities	321.9	+2.5						
Long-term liabilities	115.1	+2.3						
Total net assets	454.6	-0.6						
Shareholders' equity	431.3	-1.1						
Reference								
Consolidated interest bearing debt	155.5	+20.1						
Food segment assets	624.7	-0.9						
Pharmaceuticals segment assets	212.0	-1.7						

FYE March 2017	As of Jun. 30		As of Sep. 30		As of Dec. 31		As of Mar. 31	
		Change from the previous fiscal year end		Change from the previous fiscal year end		Change from the previous fiscal year end		Change from the previous fiscal year end
Total assets	837.5	-2.2	837.1	-2.2	889.2	+3.9	883.8	+3.2
Current assets	350.2	-3.5	354.6	-2.3	394.6	+8.7	377.7	+4.1
Fixed assets	487.3	-1.2	482.4	-2.2	494.6	+0.3	506.1	+2.6
Total liabilities	418.2	-4.3	416.3	-4.7	446.3	+2.1	426.7	-2.3
Current liabilities	259.0	-6.4	277.7	+0.4	324.7	+17.4	314.1	+13.6
Long-term liabilities	159.2	-0.6	138.5	-13.6	121.5	-24.1	112.5	-29.8
Total net assets	419.3	+0.0	420.8	+0.4	442.9	+5.7	457.1	+9.1
Shareholders' equity	405.2	+2.2	412.8	+4.1	428.1	+7.9	436.0	+9.9
Reference								
Consolidated interest bearing debt	157.2	+6.3	144.4	-2.3	147.2	-0.4	129.4	-12.4
Food segment assets	589.3	-0.5	601.6	+1.6	638.2	+7.8	630.1	+6.4
Pharmaceuticals segment assets	193.9	-3.3	193.7	-3.4	209.8	+4.6	215.8	+7.6

5. Capital Expenditures, Depreciation, R&D Expenses

(Billions of yen)

	FYE March 2015		FYE March 2016		FYE March 2017		FYE March 2018-- Plan	
	H1	Full-year	H1 (Q1-Q2)	Full-year	H1 (Q1-Q2)	Full-year	H1 (Q1-Q2)	Full-year
Capital expenditures	28.4	64.3	24.1	42.3	23.3	50.4	33.2	66.9
Food segment	24.9	55.8	21.2	36.5	20.3	44.3	26.5	55.8
Pharmaceutical segment	3.5	8.5	2.8	5.7	2.9	6.0	6.7	11.1
Corporate or elimination	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation and amortization	19.9	41.8	19.7	42.0	22.1	45.8	21.6	44.5
Food segment	16.9	35.3	17.3	36.5	19.2	39.9	18.9	39.2
Pharmaceutical segment	2.4	5.4	2.2	5.3	2.8	5.7	2.5	5.1
Corporate or elimination	0.5	1.0	0.1	0.2	0.1	0.2	0.1	0.2
R&D expenses	11.9	26.1	12.9	27.3	12.5	26.1	12.9	26.0
Food segment	6.1	12.5	6.4	12.6	6.1	12.4	6.3	13.0
Pharmaceutical segment	5.7	13.5	6.5	14.6	6.4	13.7	6.6	13.0
Corporate or elimination	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

6. Financial Indicators, consolidated

	FYE March 2014	FYE March 2015	FYE March 2016	FYE March 2017	
	Full-year	Full-year	Full-year	Full-year	
Net sales	1,148.0 billion yen	1,161.1 billion yen	1,223.7 billion yen	1,242.4 billion yen	
Operating income	36.4 billion yen	51.5 billion yen	77.7 billion yen	88.3 billion yen	
Operating income ratio	3.2 %	4.4 %	6.4 %	7.1 %	
EBITDA	77.6 billion yen	94.0 billion yen	121.6 billion yen	135.8 billion yen	(Note) Op. income + Depreciation and amortization
EBITDA margin	6.8 %	8.1 %	9.9 %	10.9 %	
Net income attributable to shareholders of parent company	19.0 billion yen	30.8 billion yen	62.5 billion yen	60.7 billion yen	
Net income ratio	1.7 %	2.7 %	5.1 %	4.9 %	
Total assets	779.4 billion yen	877.3 billion yen	856.1 billion yen	883.8 billion yen	
Interest bearing debt	198.3 billion yen	221.4 billion yen	147.8 billion yen	129.4 billion yen	
Shareholders' equity	320.4 billion yen	370.3 billion yen	408.8 billion yen	448.9 billion yen	
Shareholders' equity ratio	41.1 %	42.2 %	47.8 %	50.8 %	
Debt/Equity ratio	0.6 %	0.6 %	0.4 %	0.3 %	
ROA	5.0 %	6.5 %	9.4 %	10.2 %	(Note) Ordinary income/Average net assets
ROE	6.0 %	8.9 %	16.1 %	14.2 %	(Note) Net income attributable to shareholders of parent company/Average shareholders' equity
Cash flows from operating activities	63.8 billion yen	86.4 billion yen	105.1 billion yen	81.8 billion yen	
Cash flows from investing activities	-47.2 billion yen	-92.8 billion yen	-9.8 billion yen	-44.2 billion yen	
Free cash flows	16.5 billion yen	Δ6.3 billion yen	95.3 billion yen	37.5 billion yen	(Note) Cash flows from operating activities + Cash flows from investing activities
Net income per share	129.40 yen	209.79 yen	425.06 yen	413.11 yen	(Note) Net income attributable to shareholders of parent company / (Number of shares outstanding - Number of treasury stock)
Net assets per share	2,175.98 yen	2,515.26 yen	2,777.28 yen	3,064.91 yen	(Note) (Total net assets - Noncontrolling interests) / (Number of shares outstanding - Number of treasury stock)
Cash flow per share	407.55 yen	494.24 yen	710.89 yen	728.21 yen	(Note) (Net income attributable to shareholders of parent company + Depreciation and Amortization) / (Number of shares outstanding - Number of treasury stock)
Cash dividends per share	40.00 yen	50.00 yen	90.00 yen	110.00 yen	
Dividend payout ratio	30.9 %	23.8 %	21.2 %	26.6 %	
Price/Earnings ratio--PER	25.2 times	34.9 times	21.3 times	22.4 times	(Note) Year-end stock price/Net income per share
Price/Book value ratio--PBR	1.5 times	2.9 times	3.3 times	3.0 times	(Note) Year-end stock price/Net assets per share
Price/Cash flow ratio--PCFR	8.0 times	14.8 times	12.7 times	12.7 times	(Note) Year-end stock price/Cash flow per share

Note: The above figures per share are calculated by retroactively applying the number of shares resulting from the stock split conducted on October 1, 2015.

7. Sales by Main Products

1. Food Segment (Non-consolidated)

(Billions of yen)

FYE March 2018	Q1		Q1-Q2		Q1-Q3		Full-year				
	YoY Change	H1 Plan Achievement Rate	YoY Change	vs. H1 Plan	YoY Change	Full-year Plan Achievement Rate	YoY Change	vs. Full-year Plan			
	%	%	%	%	%	%	%	%			
Yogurt	22.1	-5.1	48.2								
Meiji Bulgaria Yogurt	20.4	-5.9	48.3								
Probiotic yogurts	28.3	+0.2	52.1								
Drinking milk	27.5	+1.7	50.2								
Meiji Oishii Gyunyu	14.7	+1.4	48.1								
Cheese	8.8	-1.5	53.5								
Meiji Hokkaido Tokachi series	3.3	+3.9	54.3								
Ice cream	11.6	-12.0	43.1								
Chocolate	21.7	+5.0	51.4								
Nutritional products	12.7	-3.4	48.8								
Sports nutrition	5.6	+14.4	51.0								

Plan -- FYE March 2018					
H1 (Q1-Q2)	YoY Change	H2 (Q3-Q4)	YoY Change	Full-year	YoY Change
%	%	%	%	%	%
46.0	+1.6	43.5	+5.5	89.5	+3.5
42.4	+0.6	39.2	+2.7	81.6	+1.6
54.4	+1.6	67.9	+2.9	122.4	+2.4
54.8	-0.0	50.8	-3.1	105.7	-1.5
30.7	+1.8	28.0	+1.3	58.8	+1.5
16.5	-4.7	17.5	-3.6	34.0	-4.1
6.2	-0.1	6.8	-2.4	13.0	-1.3
26.9	-10.9	18.1	+0.3	45.0	-6.7
42.3	+4.1	63.2	+1.9	105.5	+2.7
26.1	-0.8	26.9	+3.9	53.1	+1.5
10.9	+11.3	9.2	+24.6	20.2	+17.0

FYE March 2017	Q1		Q1-Q2		Q1-Q3		Full-year					
	YoY Change	H1 Plan Achievement Rate	YoY Change	vs. H1 Plan	YoY Change	Full-year Plan Achievement Rate	YoY Change	vs. Full-year Plan				
	%	%	%	%	%	%	%	%				
Yogurt	23.3	+8.9	54.5	45.2	+5.7	+5.6	66.3	+5.9	75.7	86.5	+4.1	-1.2
Meiji Bulgaria Yogurt	21.7	+11.7	54.3	42.1	+8.0	+5.2	61.6	+7.6	75.6	80.3	+5.5	-1.4
Probiotic yogurts	28.3	+20.4	58.7	53.5	+17.5	+11.1	85.6	+20.5	70.9	119.6	+12.1	-1.0
Drinking milk	27.0	-1.9	49.7	54.8	-2.2	+0.7	81.6	-2.0	76.7	107.4	-1.4	+0.9
Meiji Oishii Gyunyu	14.5	+1.4	49.4	30.1	+0.6	+2.3	44.3	+0.7	76.8	57.9	+0.9	+0.4
Cheese	8.9	+8.7	53.7	17.3	+5.9	+3.7	26.9	+2.7	76.6	35.5	+2.0	+0.8
Meiji Hokkaido Tokachi series	3.2	+8.4	54.5	6.2	+6.2	+4.3	9.9	+3.0	76.7	13.2	+4.4	+1.9
Ice cream ^(Note1)	13.2	-0.3	45.0	30.2	+4.5	+3.1	40.0	+4.7	83.2	48.3	+3.8	+0.2
Chocolate	20.7	+9.7	52.8	40.6	+6.8	+3.7	72.8	+7.9	72.1	102.6	+7.4	+1.7
Nutritional products ^(Note2)	13.2	+9.4	51.6	26.3	+6.9	+3.0	40.8	+5.7	77.5	52.3	+3.9	-0.8
Sports nutrition	4.8	+12.6	48.6	9.8	+12.8	-2.1	13.8	+8.6	78.6	17.3	+6.6	-1.8

Results -- FYE March 2017					
H1 (Q1-Q2)	YoY Change	H2 (Q3-Q4)	YoY Change	Full-year	YoY Change
%	%	%	%	%	%
45.2	+5.7	41.2	+2.3	86.5	+4.1
42.1	+8.0	38.2	+2.9	80.3	+5.5
53.5	+17.5	66.0	+8.1	119.6	+12.1
54.8	-2.2	52.5	-0.6	107.4	-1.4
30.1	+0.6	27.7	+1.1	57.9	+0.9
17.3	+5.9	18.1	-1.5	35.5	+2.0
6.2	+6.2	6.9	+2.8	13.2	+4.4
30.2	+4.5	18.0	+2.8	48.3	+3.8
40.6	+6.8	62.0	+7.8	102.6	+7.4
26.3	+6.9	25.9	+1.0	52.3	+3.9
9.8	+12.8	7.4	-0.7	17.3	+6.6

Note: Nutritional products includes infant formula and enteral formula.

2. Pharmaceuticals Segment (Non-consolidated)

(Billions of yen)

FYE March 2018		Q1		Q1-Q2		Q1-Q3		Full-year				
		YoY Change	H1 Plan Achievement Rate	YoY Change	vs. H1 Plan	YoY Change	Full-year Plan Achievement Rate	YoY Change	vs. Full-year Plan			
		%	%	%	%	%	%	%	%			
Ethical pharma ceuticals	Total brand name drugs	11.8	+4.2	41.1								
	MEIACT	1.5	-21.8	41.2								
	REFLEX	4.2	-8.2	40.3								
	SYCREST	0.5	+60.4	39.6								
	BILANOVA	0.2	—	17.5								
	Total generic drugs	10.7	+10.7	45.9								
(By field)	AMLODIPINE	1.0	-1.3	44.0								
	TAZOPIPE	0.9	+177.3	52.7								
	Total infectious diseases*	8.0	-0.2	44.7								
Total CNS disorders*	7.8	-3.9	42.0									

Plan -- FYE March 2018					
H1 (Q1-Q2)	YoY Change	H2 (Q3-Q4)	YoY Change	Full-year	YoY Change
	%		%		%
28.7	+16.6	33.4	+16.0	62.2	+16.3
3.8	-11.7	4.2	-23.3	8.0	-18.2
10.5	+8.7	11.2	+14.2	21.7	+11.5
1.5	+168.4	2.5	+228.1	4.0	+202.9
1.2	—	3.0	+278.7	4.2	+435.3
23.4	+15.1	24.9	+12.5	48.3	+13.8
2.4	+6.9	2.6	+10.1	5.0	+8.5
1.8	+116.1	2.1	+55.3	3.9	+78.7
18.0	+5.1	19.9	+1.8	37.9	+3.4
18.7	+12.3	20.3	+19.6	39.1	+16.0

FYE March 2017		Q1		Q1-Q2		Q1-Q3		Full-year					
		YoY Change	H1 Plan Achievement Rate	YoY Change	vs. H1 Plan	YoY Change	Full-year Plan Achievement Rate	YoY Change	vs. Full-year Plan				
		%	%	%	%	%	%	%	%				
Ethical pharma ceuticals	Total brand name drugs	11.3	-11.3	43.9	24.6	-3.5	-4.6	40.7	-0.1	73.8	53.5	+0.5	-3.0
	MEIACT	1.9	-36.6	41.8	4.3	-30.0	-10.0	7.4	-28.0	74.1	9.7	-27.0	-3.2
	ORAPENEM	0.4	-12.3	48.3	0.8	-7.1	-7.4	1.6	-7.3	77.8	2.0	-10.3	+0.4
	REFLEX	4.6	+4.1	49.1	9.6	+4.6	+2.8	14.8	+3.3	73.8	19.4	+2.4	-3.0
	Total generic drugs	9.7	-4.4	45.3	20.3	-1.8	-5.0	31.9	-2.7	75.5	42.5	-1.3	+0.4
	AMLODIPINE	1.0	-20.4	40.6	2.2	-17.8	-14.9	3.4	-19.0	76.5	4.6	-16.4	+1.8
(By field)	DONEPEZIL	0.6	-20.8	38.3	1.4	-20.2	-20.6	2.1	-21.5	80.5	2.8	-19.2	+5.0
	Total infectious diseases*	8.0	-16.7	47.6	17.1	-11.3	+1.0	28.1	-10.3	77.2	36.6	-10.1	+0.4
Total CNS disorders*	8.1	+4.5	51.3	16.7	+3.9	+4.5	25.6	+2.3	74.8	33.7	+2.9	-1.6	
Export	MEIACT	0.6	-28.9	60.5	0.9	-40.3	-6.6	1.5	-29.8	72.6	2.2	-8.2	+3.2
Agric	ORYZEMATE	0.3	-2.6	79.2	0.4	+2.8	+2.4	1.0	-15.2	16.3	6.6	+0.0	-0.3

Results -- FYE March 2017					
H1 (Q1-Q2)	YoY Change	H2 (Q3-Q4)	YoY Change	Full-year	YoY Change
	%		%		%
24.6	-3.5	28.8	+4.3	53.5	+0.5
4.3	-30.0	5.4	-24.6	9.7	-27.0
0.8	-7.1	1.2	-12.5	2.0	-10.3
9.6	+4.6	9.8	+0.4	19.4	+2.4
20.3	-1.8	22.1	-0.8	42.5	-1.3
2.2	-17.8	2.3	-15.0	4.6	-16.4
1.4	-20.2	1.4	-18.0	2.8	-19.2
17.1	-11.3	19.5	-9.1	36.6	-10.1
16.7	+3.9	17.0	+2.0	33.7	+2.9
0.9	-40.3	1.2	+51.8	2.2	-8.2
0.4	+2.8	6.1	-0.2	6.6	+0.0

Note: Total for brand name and generic drugs in the infectious diseases and the CNS disorders fields

8. Other

1. (Ref.) Net Sales of Exports and Foreign Consolidated Group Companies

(Billions of yen)

FYE March 2018	Q1		Q1-Q2		Q1-Q3		Full-year		Plan -- FYE March 2018					
	YoY Change	H1 Plan Achievement Rate	YoY Change	vs. H1 Plan	YoY Change	Full-year Plan Achievement Rate	YoY Change	vs. Full-year Plan	H1 (Q1-Q2)	YoY Change	H2 (Q3-Q4)	YoY Change	Full-year	YoY Change
Food segment	9.2	+4.7	49.8	%	%	%	%	%	18.5	+2.3	22.1	+10.4	40.7	+6.6
Pharmaceuticals segment	8.9	-1.8	48.5	%	%	%	%	%	18.4	-3.3	21.7	+10.5	40.1	+3.7

FYE March 2017	Q1		Q1-Q2		Q1-Q3		Full-year		Results -- FYE March 2017									
	YoY Change	H1 Plan Achievement Rate	YoY Change	vs. H1 Plan	YoY Change	Full-year Plan Achievement Rate	YoY Change	vs. Full-year Plan	H1 (Q1-Q2)	YoY Change	H2 (Q3-Q4)	YoY Change	Full-year	YoY Change				
Food segment	8.8	+12.0	43.0	18.1	+2.6	-11.6	28.0	-1.1	73.5	38.1	-0.4	+0.0	18.1	+2.6	20.0	-3.0	38.1	-0.4
Pharmaceuticals segment	9.0	-15.8	41.4	19.0	-8.8	-13.3	28.0	-7.6	74.1	38.7	-7.7	+2.5	19.0	-8.8	19.6	-6.7	38.7	-7.7

Note : Net sales for the parent company export business and net sales (after elimination) from international subsidiaries subject to the scope of consolidation are indicated as above reference information.

2. List of New Products Under Development

Stage	Name	Type	Efficacy Classification	Notes
Approved	Depromel SME3110 (Fluvoxamine)	Oral	Selective serotonin reuptake inhibitor (SSRI) (Pediatric OCD) (Additional indications)	Co-development: AbbVie G.K.
Phase III	ME2112 (Ziprasidone)	Oral	Antipsychotic	In-license: RaQualia Pharma Inc.
Phase II/III	ME2125 (Safinamide)	Oral	Anti-Parkinson's Disease	In-license: Newron Pharmaceutical S.p.A. (Italy) Licensed out to Eisai Co., Ltd. (Japan)
Phase II (International collaborative clinical trial)	SP-02L (darinaparsin)	Injection	Relapsed and refractory peripheral T-cell lymphoma (PTCL)	In-license: Solasia Pharma K.K.
Phase II	REFLEX Org3770 (Mirtazapine)	Oral	Fibromyalgia treatment (Additional indications)	In-license: MSD K.K.
Phase II (Overseas)	ME1111	Topical	Antionychomycosis	Meiji Seika Pharma Co., Ltd.
Phase I	DMB-3111	Injection	Breast cancer/Gastric cancer (Biosimilar)	Co-development: Dong-A Socio Holdings Co., Ltd. (South Korea) Licensed out to Gedeon Richter Plc. (Hungary)
	DMB-3113	Injection	Rheumatoid Arthritis/TNF α inhibitor (Biosimilar)	Co-development: Dong-A ST (South Korea)
	OP0595	Injection	β -lactamase inhibitor	Licensed out to F. Hoffman-La Roche (Switzerland)
Phase I (Overseas)	ME1100 (Arbekacin)	Inhalation	Hospital Acquired Bacterial Pneumonia/ Ventilator Associated Bacterial Pneumonia treatment (HABP/VABP)	Meiji Seika Pharma Co., Ltd.